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UNCLAS BRASILIA 000106

SENSITIVE
SIPDIS
STATE FOR EEB/TRA/OTP, WHA/BSC, WHA/EPSC
STATE PASS USDOT NBRAVO
STATE PASS USTDA FOR NYOUNGE, GMANDEL
STATE PASS USDOC FOR ADRISCOLL, LFUSSELL

E.O. 12958: N/A
TAGS: [ECON](#) [ETRD](#) [EINV](#) [EIND](#) [BR](#)
SUBJECT: BRAZIL: MINISTRY OF TRANSPORTATION PRESENTS DRAFT PROPOSED
ROADWAY COOPERATION AGREEMENT

REF: 09 BRASILIA 1238

¶1. (SBU) Summary: With the goal of enhancing roadway sector cooperation, Brazil's Ministry of Transportation (MOT) and the U.S. Department of Transportation (DOT) are negotiating a new cooperation agreement. MOT has proposed text for a draft Memorandum of Cooperation (MOC) designed to establish specific areas of roadway sector engagement and identification of mechanisms of cooperation. The MOC is the result of meetings that took place in October 2009 between Brazilian transportation officials and Nelda Bravo from DOT's Federal Highway Administration (FHWA) (REFTEL). Post has forwarded the document to DOT and EEB/WHA and understands both the DOT legal department and L are reviewing. End Summary.

OVERVIEW OF THE PROPOSED MEMORANDUM

¶2. (SBU) The MOC draws its authorization from the Cooperation in Science and Technology Agreement signed in 1984 between Brazil and the United States and requires signatures from DOT and MOT representatives. The document is scheduled to enter into force from the date of its signing and will be effective for five years. Renewal and review time lines are still being negotiated between the 2 parties. The MOC's stated goal is to establish mutually beneficial mechanisms that allow for the exchange of information, technology and experience among experts and specialists in both countries' roadway sectors. Possible areas of mutual cooperation identified by MOT are: project management, technological innovations in the areas of construction, rehabilitation and maintenance of pavement and special projects such as bridges, material engineering, road safety, and Intelligent Transportation System (ITS) implementation (Note: Brazil's highway regulatory agency ANTT officially adopted the U.S. based NTCIP protocol used to implement ITS on December 29, 2009. It is estimated that one specific potential ITS project in Sao Paulo is worth USD500 million. End Note). Modalities of cooperation included in the MOC range from seminars, DVCs, and academic meetings, to personnel training programs, imbedding experts and specialists under short and long-term exchange scenarios, and technology and information exchanges. The MOC designates Brazil's National Transportation Infrastructure Agency (DNIT), Brazil's National Roadway Regulatory Agency (ANTT), and DOT's FHWA as partner agencies in the pursuit of the document's successful implementation.

13. (SBU) Comment: MOT's proposed MOC is consistent with the proposals for cooperation DOT discussed during the September trip to Brazil (reftel). The MOC offers an excellent roadmap towards increasing highway regulatory cooperation and information exchange between Brazil and the United States and provides an excellent opportunity to promote U.S. business interests through the implementation of the ITS in Brazil. Given Brazilian pre-election prohibitions on undertaking new programs in the months leading up to October's national elections, completing the agreement and beginning work as soon as possible would optimize the potential for concrete cooperation in the near-term. Upon receiving comments and/or clearance from the legal departments at State and DOT, Post will work with MOT to finalize the agreement and work toward a signing in the near future. End Comment.
KUBISKE